CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

REPOR

COU	INTRY
-----	-------

Bast Germany

DATE DISTR.

8 March 1954

SUBJECT

Recent Events Bearing upon SED Policy

NO OF PAGES

NO. OF ENOLS 015401

PLACE ACQUIRED

DATE OF INFO.

SUPPLEMENT TO REPORT NO.

imis document contains information affecting the national defense ny the united state, within five bearing of three is, sections for Nuo 24, of the 6, s. code, as alegand. In transpission of Reels, ktor of its contents to or require by all imantiforty person S'rochemied by Lay. The reproduction of this form is prohibited.

THIS IS UNEVALUATED INFORMATION

25X1

It is alleged that Peter Florin, the leading foreign-policy expect of the SED Central Committee, made the following statements at a meeting of. leading East German functionaries:

It is to be expected that, in free elections in which political parties and wass organizations participate, the bourgeois-democratic forces may win. However, guarantees must be given before such elections take place that the provisions of the Potsdam Agreement calling for demilitarization be retained, that public ownership of heavy, basic and chemieal industries continue, and that confiscated holdings of large landowners be retained by the small farmers to whom they were distributed.

- 2. Hermann Matern's speech and an SED Central Committee resolution on the ocession of the 35th anniversary of the founding of the KPD emphasized that mov is the time for a real battle to democratize West Germany. The Central Committee resolution holds up East Germany as an exemple for all of Germany and emphasizes that no advances made by East Cormany will be curi endered.2 The 1953 West German elections are characterized as an erroneous fecision; the SFD leadership is again castigated.3
- The East German press also emphasized the East-West German common-action aim in stressing the request of the East Berlin Magistrat to the West Berlin Mouse of Representatives for a combined effort to achieve joint Carman representation at the Berlin Four-Power conference. Similar efforts are evidenced by a large-scale latter-writing campaign on the part of prominent Hast Berlin intellectuals writing to West Berlin citizens urging common action to adhieve joint East-West German representation at the Berlin conference.
- 4. It is alleged that the SED leadership sees as a definite result of the Berlin conference wither unification of East and West Germany or irrevocable attachment of East Germany to the Fastern Bloc. 4
- It was generally expected that food prices in the East Cerman HO stores would be reduced again prior to the Berlin conference. During the holiday deason the HO stores in large cities and industrial centers were well stocked with

SECRET CLASSIFICATION 25X1 DISTRIBUTION STATE FBI AIR

SECREM

an it we

25X1

Road and, in some areas, with textiles. Mild weather has allowed considerable alleviation of the potato "calemity" in Secony and has allowed the successful completion of planting. No information is available as to whether land deserted by farmers who fled East Germany is again under cultivation or not.

- A high degree of unrest and dissatisfaction in the populations of Zeits and other middle German cities and towns was caused by the requisitioning of countless homes on the part of Bussian authorities.
- During the last four months the LDP Rapirk secretaries in Gera, Halle, Leipzig, and Magdeburg were arrested. They have not as yet been tried.
- 8. It is reported that leading SED functionaries expect that a Minister of Education and Culture will be appointed in January and that Helmut Heltshauer, present head of the East German Art Commission, will be retired from the political scene.
- 2 Seter Pries has been confirmed as head of the Agitation Department of the SED Central Committee. He is about 25 years of age, comes from the ranks of the FDJ, was a student for two years at the Karl Marx Academy, then second accretary at the SED Bazirk directorate Rostock. The fate of his predicessor, Hobert Korb, is not known.
- Paul Verner, not mentioned in the 15th and 16th Central Committee planum meetings, is again listed as Secretary of the Central Committee. He is regarded as an Ulbricht man.
- 23. Otto Schoen, also not mentioned in recent months, possibly 171, again appears in several reports as being in the Sed Central Committee. He is regarded as an Ulbricht wan.
- Ernest Lohagem allegedly is on the way back into the good graces of the party. He is said to work in Potsdam in a "revision" capacity. He is not yet back in the SED Central Committee.
- Russian Foreign Ministry. The views of the SED and Moseow are not necessarily identical. Possibly in an effort to prevent its own elimination, the SED leadership is attempting to push Moseow into an ademant stand on the Potsdam Agreement. It is interesting to note in this connection that Ulbricht is not listed among the participants celebrating the 35th anniversary of the KPD. It is possible that Ulbricht is in Emsia to present the view of the SED Folithere on the Berlin conference.

Comment: In attempting to determine how the SFD view coincides or conflicts with that of the Russians, it is interesting to note that the efficial Russian newspaper, Rundschen an Monteg, in a post-holiday article calls 1954 the year of opportunity for the German people. The article goes on to state that the New Course in the Russian-occupied part of Germany is not to be considered an isolated phenomenon. The New Course is not, the article states, only for the people of East Germany, but has in it further great goals. The article goes on to state that in contrast to the Adeneuer regime the people and government of East Germany have, from the beginning, considered their state as a provisional state (Froviscriva), a first step in the establishment of a possecful, democratic, and unified Germany.

Companie Appenis to West German workers and farmers indicate that primary emphasis is no longer on a National Front, but on some type of "united action" incide (workers" and peasants outsite). The Matern speech shows confusion; on one hard the speech seems to be partially in preparation of the forthcoming SED

25X1

25X1

25X1

SCHER

SHOW. 25X1 TO 3 00 party conference, with the aim of strongthening the position of the SED in East Germany; on the other hand, it seeks united action with West Germany in the flight for joint East-West Corman participation at the Four-Power conference. 25X1 Command: The timing of Eastern Bloo party conferences (in Poland as early as February) indicates that the German problem is possibly on the agenda of these conferences. The SED leadership appears primarily interested in participation of the East Gorman government in the Baclin conference and etrangthening the opposition to Changellor Adenauer in West Germany. General: Reports reseived, principally through the Western Press, have 25X1 indicated that the Bussian requisitioning is for the purpose of supplying housing for the dependents of GOFG officers of all ranks. Formerly only general officers had this privilege. 6. Gammai: Fossibly SED Bazirk Revision Counterion. 25X1 Commiss It is noteworthy that the Beria trial produced no requests for trial of Herrustadt and Zeisser, who in the SED Central Committee resolution on the econsion of the 35th anniversary of the NPD appear as the "Social Damocratic fraction." There are no indications that Herrestatt and Jalests ere under arrest. Also notable in propaganda heralding the SED party conference is the moderate tone used in treating of party functionaries who have deviated from the party line. This temperate handling of deviationists leads to the possible assumption that no great purps is in the offing and that the SED is not to become an elite cadro-type party.

深沙河